

**SMILEY WANG-EKVALL, LLP**  
Kyra E. Andrassy, State Bar No. 207959  
*kandrassy@swelawfirm.com*  
Michael L. Simon, State Bar No. 300822  
*msimon@swelawfirm.com*  
Timothy W. Evanston, State Bar No. 319342  
*tevanston@swelawfirm.com*  
3200 Park Center Drive, Suite 250  
Costa Mesa, California 92626  
Telephone: 714-445-1000  
Facsimile: 714-445-1002

Counsel for David Stapleton, Receiver

**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

SILICONSAGE BUILDERS, LLC aka  
SILICON SAGE BUILDERS and  
SANJEEV ACHARYA,

Defendants.

Case No. 3:20-cv-09247-SI

**FIRST QUARTERLY REPORT AND  
RECOVERY PLAN**

[No hearing required]

SMILEY WANG-EKVALL, LLP  
3200 Park Center Drive, Suite 250  
Costa Mesa, California 92626  
Tel 714 445-1000 • Fax 714 445-1002

**TABLE OF CONTENTS****Page**

1		
2		
3	I.	RECEIVER'S ACTIVITIES AND EFFORTS IN THE FIRST
4		QUARTER..... 1
5	A.	General Operations of the Receiver..... 1
6	B.	Cash on Hand & Receipts & Disbursements..... 2
7	C.	Receivership Property..... 3
8	D.	Liquidated and Unliquidated Claims Held by the
9		Receivership Estate ..... 3
10	E.	Known Creditors..... 4
11	II.	ANTICIPATED RECOVERY PLAN ..... 5
12	A.	Overview and Preliminary Valuation ..... 5
13	B.	Recovery Efforts by Project..... 6
14	III.	MISCELLANEOUS ITEMS ..... 13
15	A.	Pending Litigation Against the Receivership Entities for
16		Which Insurance Coverage May Be Available ..... 13
17	B.	Issues Regarding Ownership of 2101 Alum Rock LLC ..... 13
18	C.	Waiver of the Attorney-Client Privilege of the Receivership
19		Entities ..... 14
20	D.	Status of Obtaining Bank Records from Chase Bank ..... 14
21	IV.	CONCLUSION..... 15
22		
23		
24		
25		
26		
27		
28		

David Stapleton, the permanent receiver (the "Receiver") appointed by the Court pursuant to the *Order on Plaintiff Securities and Exchange Commission's Motion for Appointment of Receiver* (the "Receivership Order") that was entered on February 10, 2021, submits this First Quarterly Report and Recovery Plan to apprise the Court of the actions taken by the Receiver over the past partial quarter to protect and administer the receivership estate, to provide an update to creditors and investors, and to layout the Receiver's general go-forward plan for the receivership estate. The Receiver requests entry of an order approving this First Quarterly Report and Recovery Plan.

# **I. RECEIVER'S ACTIVITIES AND EFFORTS IN THE FIRST QUARTER**

## **A. General Operations of the Receiver**

This receivership estate involves thirteen different real estate projects in varying stages of completion. The Receiver is assessing all assets of the receivership estate on a project-by-project basis to determine the best path forward for each individual project and its ability to produce a recovery for the receivership estate. The Receiver and his team have reached out to all secured creditors to independently confirm the amounts of principal and interest (including default interest) that they report are owed. The Receiver's team is in the process of (i) reviewing the loan documents to verify that everything was properly documented and perfected, and (ii) negotiating with lenders to preserve any equity that may exist in each project to maximize value for the Receivership Estate. The Receiver has also contacted former key employees and other third parties to collect information about the status of the various projects and to assist in making decisions as to which projects are most worth pursuing to generate recoveries for the receivership estate. In addition to analyzing the underwriting of the SiliconSage real estate projects, the Receiver, his team and his counsel continue to:

- field numerous inquiries from various constituents, including creditors and their counsel, investors and former employees who have information

1 regarding the status of the SiliconSage projects and the history of the  
2 company's operations and finances.

- 3 ■ analyze the financial records and bank statements in order to determine the  
4 source of the money into the Receivership Entities, as that term is defined  
5 in the Order.
- 6 ■ review disbursement of funds to investors, vendors and creditors from each  
7 of the Receivership Entities to confirm the accuracy of the reports and  
8 records.

9 As previously reported, the Receiver has preliminarily determined that the data in  
10 the accounting system is not complete and has not been reconciled in recent months.  
11 The Receiver is working with the former back-office bookkeeping to close the books  
12 through December 2020.

13 The Receiver is also responding to inquiries and a subpoena from the Department  
14 of Labor and the Employee Benefit Securities Administration regarding potential  
15 outstanding payroll obligations and problems with the 401(k) plan, including the alleged  
16 failure to remit contributions deducted from employee's checks. The Receiver believes  
17 that SiliconSage Builders was both the plan sponsor and the plan administrator, with ADP  
18 acting as a record keeper. The Receiver is attempting to obtain a copy of the plan and  
19 information about it so that he can respond to the inquiries of the Employee Benefit  
20 Securities Administration. The Receiver will work to wind down the 401(k) plan so that  
21 employees can rollover their investments into a qualified plan of their choosing.

22 The Receiver has engaged Smiley Wang-Ekvall, LLP as counsel to assist with  
23 complexities and legal matters related to the Receiver's efforts. The Receiver set up a  
24 website for the receivership at [www.siliconsagereceivership.com](http://www.siliconsagereceivership.com) as a resource for  
25 investors and creditors.

## 26 **B. Cash on Hand & Receipts & Disbursements**

27 As of the date of appointment, the Receivership Entities had 62 bank accounts at  
28 Chase Bank with a cumulative cash balance of -\$6,321 (negative balance). The Receiver

1 established receivership trust accounts to deposit miscellaneous receipts for the  
 2 Receivership Entities. Since the date of the Receiver's appointment, the Receiver has  
 3 collected \$25,160.24 and disbursed \$4,654.80. Attached as Exhibit "A" is a summary of  
 4 cash receipts and disbursements for the receivership period through March 31, 2021. As  
 5 stated in the Receiver's Initial Report, there do not appear to be assets that are easily  
 6 liquidated; however, the summaries in Section II below detail the Receiver's plan to  
 7 maximize recoveries ("Recovery Plan") for the receivership estate.

8 **C. Receivership Property**

9 The vast majority of the Receivership Property consists of real property assets  
 10 ranging from pre-entitlement to mid-construction projects. A description of all known  
 11 Receivership Property is detailed in the Recovery Plan in Section II below.

12 **D. Liquidated and Unliquidated Claims Held by the Receivership Estate**

13 The Receiver believes that there are claims against Sanjeev Acharya and perhaps  
 14 other officers for breach of fiduciary duty that may be covered by the D&O policy held by  
 15 SiliconSage Builders. The policy appears to have a limit of \$2 million that is presently  
 16 being depleted by the fees and costs of Mr. Acharya's counsel in this matter. Because  
 17 Mr. Acharya is a chapter 7 debtor, this claim will need to be filed in his bankruptcy case  
 18 as an action to determine this debt to be nondischargeable. The Receiver will be seeking  
 19 approval to pursue this litigation and to employ Brutzkus Gubner, a firm experienced in  
 20 this type of litigation, on a contingency fee basis.

21 The Receiver has also identified seven purchase contracts involving sixteen  
 22 condominium units at Osgood and Almaden that were done in violation of the loan  
 23 agreements with Acres and not disclosed to the joint venture partner in Osgood and  
 24 Almaden when it agreed to fund the remaining construction at those projects. All of them  
 25 appear to have been done in an attempt by Osgood and Almaden and/or their affiliates to  
 26 raise money, because they each involve significant deposits that the putative buyers  
 27 agreed could be immediately released for use by the seller. The purchase agreements  
 28 contain addendums that give Osgood and Almaden the right to sell the units for a higher

1 price and to pay the buyer the amount of the deposit, plus a return. The Receiver  
2 believes that some or all of these agreements were intended to be loans or investments  
3 and will be seeking a Court order recharacterizing some or all of them as unsecured  
4 claims. This would enable the Receiver to free the units for sale at a market price.

5 The Receiver is still investigating to determine what other claims the receivership  
6 estate may hold, but expects to identify additional litigation claims as the administration of  
7 the receivership estate progresses.

8 **E. Known Creditors**

9 As previously reported, the Receiver has located a list of more than 350 trade  
10 creditors who are owed money by one of the Receivership Entities, although the list does  
11 not identify which Receivership Entities are liable for each debt and only contains mailing  
12 addresses. Attached as Exhibit "B" is a list of these trade creditors. This list does not  
13 include secured lenders with liens against property of the receivership estate. The  
14 Receiver has also located a list that contains approximately 678 investments across  
15 approximately 280 individual investors and another list of approximately 107 noteholders.  
16 The Receiver reviewed investor lists and the investor portal maintained by the  
17 Receivership Entities, which reported the total amount of investments to be  
18 approximately \$140.3 million. Additionally, the records of the Receivership Entities  
19 reported the total principal amount of approximately \$24.7 related to the 107 notes. It is  
20 unclear how recently these figures were updated and if the investment total is net of  
21 distributions that may have been made, and the Receiver is in the process of performing  
22 an accounting to verify these figures. Because of concerns for the privacy of these  
23 individual investors and noteholders, the Receiver is not attaching these lists to this  
24 status report at this time. This is consistent with the order that the Court recently entered  
25 that granted the Receiver's request to submit declarations regarding service on investors  
26 without listing all of their names and addresses. This issue may be revisited as the case  
27 progresses.

## II. ANTICIPATED RECOVERY PLAN

### A. Overview and Preliminary Valuation

The Receiver is in the process of developing individual business plans and potential strategies for each specific and standalone project in order to preserve and maximize the value of the assets of the receivership estate. Each project has unique circumstances and is owned by a separate standalone LLC. Attached as Exhibit “C” is a summary of SiliconSage projects and the respective ownership entity. The Receiver has been working diligently to formulate creative strategies and solutions that keep the best interests of the investors and creditors in mind. As part of this process, the Receiver has been in negotiations with certain of the secured creditors and has been analyzing their loans and the overall debt structure of each property to determine which projects are worth administering and to determine ways that the Receiver might increase their value for creditors and investors. The Receiver and counsel have drafted term sheets with certain lenders to detail the terms of the exit strategy, including the timeline, sale guidelines and parameters related to the accrual of interest and default interest in the interim period prior to a sale. Once agreements are reached with the lenders, the Receiver expects to seek Court approval of them.

At the current time, it appears that the combined gross value for all projects is approximately \$220 - 225 million<sup>1</sup> with debt of approximately \$184 million,<sup>2</sup> costs to complete of approx. \$25 million and property equity – before taking into account investor capital – ranging from approximately \$11- \$16 million. The Receiver continues to review records and update these estimates based on information available to him and his team.

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<sup>1</sup> This figure assumes that the Receiver is able to maximize the value of certain projects – including Alum Rock and Little Portugal – by selling the full assemblage of the land (some of which SSB does not own), as discussed further below.

<sup>2</sup> This figure represents known debt as of the date of this report. This figure is subject to change based on new information reported by lenders or provided to the Receiver from other sources including title companies and other creditors, or other documentation found in SSB’s files.

1 The Receiver will provide further updates in future reports. Below is an update of  
2 current status by project.

3 **B. Recovery Efforts by Project**

4 The Receiver has identified thirteen (13) properties in the receivership estate and  
5 the Receiver and his team are evaluating each property separately. The current status  
6 and associated debt of every identified property is outlined in the following:

- 7 i. Alum Rock – This project, also known as *Sunset at Alum Rock*, involves  
8 plans for an approximately 800-unit development located in San Jose,  
9 CA. The project has been submitted to the City and the entitlement  
10 process is underway. At the current time, the Receivership Entities only  
11 own a portion of the land assembly required to complete this project. In  
12 2018, SiliconSage Fund 1, LLC, a Delaware limited liability company  
13 (Series) – Series 4, signed agreements to purchase the other parcels to  
14 accommodate the development of this project and it appears that it may  
15 have been in default under those agreements when the Receiver was  
16 appointed. The Receiver has listed the parcel owned by the  
17 receivership estate and is working with the brokers to attempt to find  
18 buyers who may be interested in acquiring the full land-assembly  
19 required for this project because that would increase the value for all of  
20 the owners. If it is determined there are buyers interested in the full land-  
21 assembly, the Receiver will work with the sellers of the adjacent parcels  
22 to reinstate the prior agreements and to package up a joint sale, which  
23 the Receiver believes is the best way to maximize the sale price for the  
24 SiliconSage parcel(s). If it is determined that buyers are not interested in  
25 the full land-assembly, or that the sellers of the additional non-  
26 SiliconSage parcels are not willing to sell, the Receiver will review the  
27 next best plan. Per the Receiver's preliminary review and discussions  
28 with lenders, it appears there is \$5.5 million of debt on this project. The



1 Receiver is exchanging term sheets with the lender on this project  
2 regarding the timeline, the waiver of default interest, and related  
3 matters. In the meantime, the lender filed a motion with the Court  
4 seeking an order requiring the Receiver to account for, segregate, and  
5 turn over the rent collected on this property from a commercial tenant.  
6 The Receiver has no objection in concept to this request given the  
7 lender's assignment of rents provision in its deed of trust and expects  
8 that a stipulated order will be submitted to the Court.

9 ii. Almaden – This project is a partially-constructed condominium project  
10 located in San Jose, CA, and the issues impacting it are largely the  
11 same as the Osgood project discussed below. Both projects were at  
12 risk of foreclosure last year when TriGate Capital ("TriGate") agreed to  
13 come in as a joint venture partner to fund the remaining construction  
14 costs as a preferred equity holder of the owner of the project. The  
15 Receiver has had extensive discussions with both TriGate and the  
16 secured construction lender, Acres Capital ("Acres"), about funding this  
17 project to completion. For a number of reasons, the Receiver has  
18 decided to move forward with Acres and is in the process of finalizing  
19 that arrangement, which will then be presented to the Court for approval.  
20 The construction is being managed by Suffolk Construction and Acres is  
21 making protective advances pending a formal agreement in order to  
22 make sure construction continues and in an effort to prevent loss of  
23 future value. Because of their familiarity with this project and their  
24 relationships with existing buyers, the SiliconSage Builders sales team  
25 has been maintained. A number of units are already under contract, in  
26 compliance with the loan agreement with Acres. In the near future, the  
27 Receiver expects to seek the Court's approval of procedures for the sale  
28 of the remaining condominiums in the ordinary course. The value of this

project will be impacted by the outcome of the Receiver's attempt to recharacterize the questionable purchase agreements affecting this project as unsecured claims. Per the Receiver's preliminary review and discussions with Acres, it appears there is approximately \$41 million of secured debt on this project in favor of Acres, with another \$1.8 million in favor of certain investors, although the Receiver is reviewing the circumstances under which those liens arose. The estimated cost to complete construction is from \$15 to \$17 million, which does not include accruing interest on the funds that will be used to pay for these costs.

- iii. Balbach – – This project is a fully-built apartment building located in San Jose, CA. The Receiver has engaged a broker and the property is currently listed for sale. Per the Receiver's preliminary review and discussions with lenders, it appears there is approx. \$41 million of debt on this project between the secured lender and other liens. Based on the recommendations of brokers for marketing this project in a manner that will maximize value, the Receiver did an initial call for bids on this project and is currently going through a second round. The Receiver is working with the lender to negotiate loan terms prior to a sale, and term sheets are being exchanged. The Receiver's goal is to sell the project, minimize additional interest and default interest and maximize the recovery for the investors. Once the highest and best bid is identified, the Receiver will submit the sale of this project to the Court for approval. Because the Receivership Order gave the Court flexibility in approving the procedures for the sale of real property, the Receiver will be requesting that the Court approve the procedures utilized by the Receiver.
- iv. Franklin (Downtown Gateway) – This project is a fully-built condominium project with retail units on the ground floor, located in Santa Clara, CA.

There is significant debt associated with the property, and specifically the retail units. The Receiver has engaged a broker and the retail units have been listed for sale. Per the Receiver's preliminary review and discussions with lenders, it appears there is \$8.6 million of debt on this project. The Receiver is negotiating with the lender regarding this project to try to realize value for it.

- v. Little Portugal – This is a fully-entitled project located in San Jose, CA. The receivership estate only owns one of the two parcels needed to complete the project according to the submitted plans. In 2018, SiliconSage Builders signed an agreement to purchase the adjacent parcel for \$4.2 million with a deposit of \$126,000. That agreement was still pending when the Receiver was appointed. The Receiver has engaged a broker and the parcel has been listed for sale. As with the Alum Rock property described above, the Receiver is working with the brokers to attempt to find buyers who may be interested in acquiring the full land-assembly required for this project. If it is determined there are buyers interested in the full land-assembly, the Receiver will work with the seller of the adjacent parcel to package up a joint sale, which the Receiver believes is the best way to maximize the sale price for the SiliconSage parcel. If it is determined that buyers are not interested in the full land-assembly, or that the seller of the additional non-SiliconSage parcel is not willing to sell, the Receiver will review the next best plan. Per the Receiver's preliminary review and discussions with lenders, it appears there is \$2.0 million of debt on this project. Discussions with the lender about a timeline and a favorable modification of the terms of the loan are ongoing.
- vi. Mathilda 2 – This property consists of existing structures with both commercial and residential tenants located in Sunnyvale, CA, directly

adjacent to the SiliconSage corporate office. The Receiver is collecting rent from the commercial tenants. The residential tenants consist of former SiliconSage employees and they are not currently paying rent. The Receiver is working to establish a rental agreement with the current tenants or a plan to vacate the units. The long-term plan was to entitle this property to build a condominium development. At the time of the Receiver's appointment, the owner was in the process of completing a Specific Plan Amendment to achieve additional density accommodations for the project. Per the Receiver's preliminary review and discussions with the lenders, it appears there is \$5.9 million of debt on this project. The Receiver is negotiating with the lender about a timeline and favorable loan modifications, with discussions ongoing.

- vii. Monroe (Madison Place) – This project is a fully-built condominium project with retail units on the ground floor that are part of the receivership estate. The condominium units have already been sold. There is significant debt associated with the retail units. The Receiver has engaged a broker and the retail units have been listed for sale. Per the Receiver's preliminary review and discussions with the lender, it appears there is \$6.1 million of debt on this project. The Receiver is negotiating with the lender about a timeline and favorable loan modifications, with discussions ongoing.
- viii. Osgood – The project is similar to Almaden and is a partially-constructed condominium project, although this project is farther along than the Almaden project. The Receiver has determined that there is approximately \$45 million in secured debt in favor of Acres, plus a lien of approximately \$570,000 in favor of an investor that the Receiver is reviewing. The estimated cost to complete construction on this project is about \$6 to 8 million, although this figure does not include interest on

the funds to be borrowed to pay construction costs. As with the Almaden project, the value of this project will be impacted by the outcome of the motions to recharacterize the suspicious purchase agreements as unsecured claims. Once an agreement with the existing lender is reached and documented, the Receiver will seek the approval of the Court.

- ix. Osgood 2 – The project has been submitted for entitlement and the approval is almost complete. The property is currently occupied by the warehouse that is needed for the construction of the Osgood project. The property has been listed for sale. Per the Receiver’s preliminary review and discussions with lenders, it appears there is \$9.3 million of debt on this project. The Receiver is in discussions with the lender regarding the timeline and the terms of the loan post-receivership.
- x. Peralta (Centerville Station) – The project has been fully entitled. The land has been demolished and trenched. The property has been listed for sale. Per the Receiver’s preliminary review and discussions with lenders, it appears there is \$16.6 million of debt on this project and discussions with the lender are ongoing.
- xi. Walnut Morgan Hill – The ownership of this entity, which owns a parcel of land in Morgan Hill, CA, is disputed. Prior to the appointment of the Receiver, SiliconSage Builders held the membership interest in this entity. In September 2020, SiliconSage Builders transferred its membership interest to an investor in the project, allegedly as partial payment of some investments in the SiliconSage Bridge Fund and this entity. The Receiver is reviewing the circumstances surrounding this transfer to determine if it was a constructive or actual fraudulent transfer and to determine whether this entity is properly listed as one of the Receivership Entities. Per the Receiver’s preliminary review and

1 discussions with lenders, it appears there is \$1.3 million of debt on this  
2 project.

3 xii. Hayward – At the time of the Receiver’s appointment, there was a sale  
4 pending for a townhome located at 106 B Street, Hayward, CA.

5 Pursuant to the terms of the Receivership Order, the Receiver elected to  
6 proceed with the sale. The Receiver obtained an order from the Court  
7 approving this sale. The sale is expected to generally approximately  
8 \$450,000 for the receivership estate and is expected to close within the  
9 next few weeks.

10 xiii. SiliconSage Corporate Office – There is significant debt associated with  
11 the property and it has been listed for sale. Per the Receiver’s  
12 preliminary review and discussions with lenders, it appears there is \$4.3  
13 million of debt on this project. Discussions with the lender are ongoing.

14 In addition to these assets, there are miscellaneous personal property assets  
15 consisting of construction equipment, tools, construction materials, office furniture and  
16 equipment, computers and other items. Some, if not all, of this property may be subject  
17 to liens. While the Receiver does not believe there to be significant value attributed to  
18 these items, he will determine if there is value in excess of the liens and assess the ability  
19 to liquidate these items to generate cash for the receivership estate. There is also leased  
20 equipment that the Receiver is determining whether to retain because it is necessary for  
21 the Osgood or Almaden projects or to return .  
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1 **III. MISCELLANEOUS ITEMS**

2 **A. Pending Litigation Against the Receivership Entities for Which**  
 3 **Insurance Coverage May Be Available**

4 As of the time of the Receiver's appointment, there was litigation pending against it  
 5 in state court by former employees for alleged wage and hour violations. The Receiver is  
 6 informed by the attorney representing the Receivership Entities that a settlement  
 7 involving the insurance company under which the insurance company would provide  
 8 funds to settle the litigation was close to being finalized. The Receiver is likely to seek an  
 9 order in the near future modifying the injunction in this case to permit these plaintiffs to  
 10 recover from the insurance policy in exchange for waiving any claims against the  
 11 receivership estate.

12 One or more of the Receivership Entities was also a defendant in various  
 13 construction defect cases or claims. The Receiver is in the process of getting more  
 14 information from the attorney who was handling these claims and, similar to the likely  
 15 treatment with the former employees, may agree to seek an order modifying the  
 16 injunction to permit the plaintiffs to seek recovery from the applicable insurance policies  
 17 in exchange for waiving any claim against the receivership estate.

18 **B. Issues Regarding Ownership of 2101 Alum Rock LLC**

19 The Alum Rock project described above was acquired through a newly-formed  
 20 entity, 2101 Alum Rock, LLC. The Court recently issued an order granting the Receiver's  
 21 request to clarify that this entity is one of the Receivership Entities. Its membership units  
 22 appear to be held by Alum Rock Development, LLC, another Receivership Entity that was  
 23 not explicitly listed, and Charles F. Johnisee, as trustee of The Charles F. Johnisee Living  
 24 Trust dated December 23, 2003 (the "Johnisee Trust"). Mr. Acharya formed Alum Rock  
 25 Developments, LLC, at the same time that 2101 Alum Rock was formed. The Johnisee  
 26 Trust notified the Receiver's counsel on April 24, 2021, that it was exercising its right to  
 27 purchase the membership interests of Alum Rock Development, LLC, for \$100. The  
 28 Receiver contests its ability to exercise this right given the injunction against interference

1 with the Receiver contained in the Receivership Order. The Receiver anticipates this  
 2 issue may need to be resolved as part of any motion to distribute the net proceeds from  
 3 the sale of the property owned by 2101 Alum Rock, LLC. As he did with 2101 Alum  
 4 Rock, the Receiver may seek entry of an order that makes clear that Alum Rock  
 5 Development, LLC, is a Receivership Entity.

6 **C. Waiver of the Attorney-Client Privilege of the Receivership Entities**

7 Upon his appointment, the Receiver assumed control of the Receivership Entities'  
 8 attorney-client privilege with their counsel. The U.S. Attorney's Office has requested that  
 9 the Receiver waive this privilege. Given that Mr. Acharya has stipulated to a consent  
 10 judgment in this case that limits his ability to challenge key allegations, the Receiver  
 11 believes that a waiver of the privilege is appropriate and upon entry of an order approving  
 12 this report, intends to waive it. This waiver would only apply to the Receivership Entities  
 13 and as to material requested by the U.S. Attorney's Office as part of its investigation.

14 **D. Status of Obtaining Bank Records from Chase Bank**

15 Although the Receiver has obtained access to certain of the accounts held at  
 16 Chase Bank by the Receivership Entities, as of the date of this report, he is having  
 17 difficulty gaining access to approximately 32 accounts, allegedly because it is Chase's  
 18 policy to close an account and terminate electronic access when the account has had a  
 19 negative balance for more than 60 days<sup>3</sup>. Electronic data is significantly more efficient to  
 20 use and analyze than hard copies of bank statements, deposited items, and cancelled  
 21 checks. Consistent with Section III of the Order, the Receiver requests that in approving  
 22 this Report, the Court order Chase (a) to provide electronic access to all accounts held by  
 23 the Receivership Entities at Chase Bank in electronic format within 5 days of receipt of  
 24 this order and (b) place a bar on closing additional accounts during the pendency of the  
 25 receivership action or until which time the Receiver authorizes Chase to close accounts.

26  
 27  
 28 <sup>3</sup> The account balances were negative at the time of the Receiver's appointment.



1 **IV. CONCLUSION**

2 The Receiver requests that the Court enter an order:

3 (1) approving this Status Report;

4 (2) authorizing the Receiver to waive the attorney-client privilege of the  
5 Receivership Entities as to materials requested by the U.S. Attorney's Office as part of its  
6 investigation; and

7 (3) requiring Chase Bank, N.A. to provide electronic access to all accounts held  
8 by the Receivership Entities at Chase Bank within five days of receipt of the Order so  
9 requiring and prohibiting Chase Bank from closing any bank accounts until the Receiver  
10 authorizes it to do so.

11  
12  
13 DATED: April 30, 2021

Respectfully submitted,

SMILEY WANG-EKVALL, LLP

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15  
16 By: /s/ Kyra E. Andrassy

17 KYRA E. ANDRASSY

18 Attorneys for David Stapleton, Receiver  
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SMILEY WANG-EKVALL, LLP

3200 Park Center Drive, Suite 250

Costa Mesa, California 92626

Tel 714 445-1000 • Fax 714 445-1002

**EXHIBIT "A"**

**EXHIBIT A**

Period beginning 2/10/21 - 3/31/21 (Q1 Report)

**RECEIPTS**

Misc. Receipts / Refunds	23,660
Rental Income	1,500
<b>TOTAL RECEIPTS</b>	<b>25,160</b>

**DISPURSEMENTS**

Computer Tech / Software Expenses	2,304
General & Admin Expenses	144
<b>TOTAL DISPURSEMENTS</b>	<b>2,448</b>

<b><u>TOTAL CASH</u></b>	<b><u>22,713</u></b>
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# EXHIBIT "B"

**EXHIBIT B**

<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
1	138 Balbach, LLC	18,871
2	34th Alum Rock Holding Company, LLC	12,384
3	3PEX	1,800
4	A&D Automatic Gate Company	69,350
5	Able Glass	998
6	Access Hardware Supply	2,539
7	ACIES Engineering	134,364
8	Acies Engineering	1,600
9	ADEMCO INC., DBA ADI	15,417
10	ADP,LLC	703
11	ADR Services	3,375
12	AECOM Technical Services, Inc	473
13	AECOM Technical Services, Inc.	9,202
14	AEI Consultants	6,100
15	Ahern Rentals	37,435
16	Alameda County Water District	11,743
17	Albion Environmental, Inc.	1,218
18	Alcal Speciality Contracting, Inc.	29,071
19	All American Overhead Door	820
20	All Environmental, Inc.	4,500
21	All Seasons Roofing & Waterproofing, Inc.	75,037
22	Almetek Industries, Inc.	202
23	Alpine Pacific Advisors LLC	1,565
24	American Glazing & Aluminum, Inc.	7,970
25	American Woodmark Corporation	950
26	Ames Taping Tools	2,150
27	Angel's Lacksmith	270
28	Appel & Henick LLP	2,104
29	ARGUS Software Inc.	870
30	Arrow Asphalt	2,750
31	Artisan Design Group,	14,552
32	Ascent Environmental, Inc.	24,410
33	Atlas Private Security , Inc.	38,890
34	Automatic Data Processing Tax Filing Service	3,342
35	Axent Interior Design	518
36	Azul Works, Inc.	2,557
37	BAFP INC DBA Bay Area Fire Protection	108
38	Barkerblue	4,494
39	Barnhart Economic Services, LLC	2,100
40	Bay Area Fire Protection	1,244
41	Bay Area High Reach, Inc.	5,013
42	Bay Power Inc	13,535
43	Bay Stone	9,265
44	Beam Insurance Administrators LLC	(8,652)
45	Bear electrical Solutions	83,468

<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
46	BELFOR USA Group, Inc.	19,652
47	Bell Electrical Supply, Inc.	860
48	Benefit Resource, LLC	400
49	BFFC INC	152,534
50	Big Joe handling Systems, Inc.	1,000
51	Biggs Cardosa Associates, Inc.	1,762
52	BKF Engineers	81,561
53	Black Spectacles	1,166
54	Blackwell General Engineering, Inc.	32,841
55	Bluebeam, Inc.	16,873
56	Blueprint Bound, Inc.	30,289
57	Booster Fuels, Inc.	2,418
58	Borrecco/Killan & Associates, Inc.	2,380
59	Brady Seal, Inc.	2,215
60	Builder's Digital Experience, LLC	675
61	Builder's Drapery Service, Inc.	4,329
62	Building Talent	47,000
63	Business New Magazine	2,950
64	ButterflyMX	3,030
65	Cadworld Infosystems Private Limited	2,590
66	California Air Duct Testers, Inc.	11,200
67	California Cut & Core, Inc.	7,448
68	California Fire Systems Inc.	72,096
69	Callander Associates	42,330
70	Canon Financial Services, Inc.	607
71	Canon Solutions America, Inc.	7,187
72	Carefree Toland pools, Inc.	83,574
73	Carlton Fields	-
74	CED Bay Area	34,890
75	Charles M Salter Associates Inc.	77,586
76	Chrisp Company	9,546
77	City Of Fremont	5,687
78	City Of Fremont Code Enforcement	7,400
79	City Of Morgan Hill	45,915
80	City Of San Jose	28,714
81	City of santa clara	480
82	City Of Santa Clara Municipal Utilities	1,190
83	City of Sunnyvale-Utilities	45,929
84	Clarivate Analytics (Compumark) Inc.	1,010
85	Cogency Global Inc.	9,924
86	Cogent Communications, Inc.	6,799
87	Community Seva Inc	1,500
88	Concentra	242
89	Construction Testing services, Inc.	10,223
90	Contract Floor Coverings, Inc.	-
91	CoreLogic Credco, LLC	(133)
92	Cornish & Carey Commercial, Inc.	31,541

<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
93	Corodata Shredding, Inc.	20
94	Cortron Systems, Inc.	1,081
95	Costa & Costa LLP	9,137
96	County of santa clara	809
97	Cox, Castle & Nicholson LLP	18
98	CT Corporation	550
99	Custom Tool Repair	193
100	Cypress Group	40,000
101	D & D Windows	82,666
102	Daedalus Structural Engineering, Inc.	18,125
103	David J. Powers & Associates, Inc.	85
104	Davison Associates, Inc.	20,000
105	DBA Bay Area Fire Protection	1,164
106	DCI Engineers	47,750
107	Dell Marketing L.P	3,297
108	Detail Construction & Waterproofing, Inc.	134,085
109	Diamond Doors, Inc.	422
110	Dimetrius Painting II, Inc	18,760
111	Direct Fairways	850
112	DMV	4,389
113	Dollar Rent A Car	314
114	Don Ramatici Insurance, Inc.	(5,347)
115	Donald Foster D.D.S	528
116	Dowell LLP	6,100
117	Dun & Bradstreet	33,333
118	Dwelling Live, Inc	5,571
119	E.J. Pires Trucking , Inc.	132
120	EBA&M Corporation	13,006
121	EI Engineering, Inc.	191,190
122	Ellie Mae, Inc.	7,238
123	Empire Quality Painting Inc.	10,000
124	EQ Professional Ins. Assoc.	554,074
125	Ewing Irrigation PRD	490
126	Express Fence, LLC	29,643
127	Fast care, Inc.	1,892
128	Fastsigns	8,907
129	FastSpring	160
130	FBA, Inc., Structural Engineers	141,000
131	Ferma Corporation	1,396
132	Firesprink Designs Inc.	1,950
133	First Alarm	12,010
134	First Nations Home Finance	2,500
135	First Trust Alarm Company, Inc.	63,277
136	Fitness Ventures International, LLC	12,355
137	Foster Brothers Security System, Inc.	15,279
138	Fontaine Information Systems, Inc.	992
139	Fox, Wang & Morgan P.C	18,640

<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
140	Foxspin LLC	999
141	Fremont Peralta Holding Company, LLC	150,588
142	Frontier Building Products Pacific, Inc.	73,685
143	Gaea Global Technologies, Inc.	22,400
144	Garcia's Gutter	1,248
145	Garney Construction	99,717
146	Genesis Capital Group	4,047
147	GeoRestoration, Inc.	35,817
148	Global Equipment Company, Inc.	(577)
149	Global Software, LLC	5,056
150	GMEI	91
151	GoKeyless.com	381
152	Golden State Reprographics	144
153	Goldenstate Lumber	3,849
154	Google Voice Inc.	42
155	Gordon&Rees	8,360
156	Grainger	1,566
157	Green Team Of San Jose A Waste Connections Company	8,606
158	Groom & Cave, LLP	1,680
159	Hall & Company	5,200
160	Hanna and Van Atta	142,876
161	Harbir K Bhatia	130,378
162	Hard Rock Concrete, Inc.	334,349
163	Hardesty + Associates, Inc.	2,823
164	Harris Blade Rental	1,419
165	HD Supply Construction And Industrial - White Cap	5,080
166	Heath Stairworks, Inc.	9,438
167	Hedge Point Financial, LLC	3,500
168	Henry C. Levy, Tax Collector, Alameda County	41,547
169	Henry's Kitchen & Bath Refinishing	685
170	High End Development, Inc.	22,951
171	Hilti Inc.	2,860
172	Hohbach-Lewin,inc	28,649
173	Home Site services, Inc.	16,689
174	I Metal, Inc.	48,223
175	Ichor Restoration	6,300
176	Illingworth & Rodkin, Inc.	8,939
177	InFocus Safety Solutions, Inc.	44,800
178	Insight Advisors LLC	35,000
179	Interface Engineering, Inc.	28,717
180	Interior Trim Specialists, Inc.	18,940
181	Internal Revenue Service	261
182	Irvington Business Association	40
183	ITR Cleaning Services	200
184	J R Drywall INC	2,700
185	J&L Sound and Video Security Systems Inc.	2,000
186	J.A.R. Underground Electric, Inc.	16,539



<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
187	J.R. Corelli Associates, Inc. dba Lakeview Custom Coach	114,450
188	Jalsa Catering & Events	2,749
189	JENSEN HUGHES, INC.	12,954
190	JMH Weiss, Inc.	48,608
191	Johnstone Supply	1,771
192	Joseph J. Albanese, Inc.	1,309
193	K & H Photography	2,032
194	Kaiser Foundation Health Plan	365,812
195	KBB M & A LLC	5,000
196	Kelly-Moore Paint Company, Inc.	51,906
197	KHA Consultants, PLLC.	2,800
198	Kitchen Fantastic	10,775
199	Kompan, Inc.	8,287
200	Kontakt Micro-Location Sp. z o.o.	249
201	KPFF consulting engineers	12,097
202	KRH Staffing, LLC	1,500
203	KTGY Architecture + Planning	4,050
204	Kunde Legacy LP	166,713
205	L A Finish Carpentry Inc	13,500
206	La Jolla Pacific Of California, LTD	14,950
207	Larry Methvin Installation, Inc.	25,000
208	LB Painting	11,000
209	Liberty Mutual Insurance	3,642
210	Lily Quan	11,600
211	Link Age Inc	8,000
212	LJP Construction Services	417
213	LogMeIn USA, Inc.	88
214	Lubin Olson & Niewiadomski LLP	13,430
215	Mantel & Fireplace, Inc.	2,700
216	Marble Palace Inc.	25,800
217	Marketshare Inc	37,712
218	McGinnis Chen Associates Inc	2,380
219	Mcgranite	300
220	MCH Electric, Inc.	124,199
221	McSherry & Hudson, LLC	81,065
222	Medlin & Hargrave, P.C.	1,157
223	MERSCORP Holdings, Inc.	264
224	Meyers Research, LLC	47,660
225	MGR Cleanup, Inc.	700
226	Michael Page International Inc.	24,200
227	Minol, Inc.	73,175
228	Mission Trail Waste Systems, Inc.	-
229	MK Engineering, Inc.	5,250
230	Mobile Modular	238
231	Morrison Hershfield Corporation	842
232	Moss Adams LLP	23,205
233	Motivational Systems Inc	3,135

<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
234	My Parking Sign	139
235	Neptune Water Solutions	1,424
236	New Home Professionals	5,938
237	NorCal Lumber	60,551
238	Norman S. Wright Mechanical Equip. Corp.	87,924
239	NTS Mikedon, LLC	6,880
240	Nu Wood Design	117,417
241	NVC Framing Inc	3,455
242	Occupational Health centers	852
243	Oldcastle Infrastructure	(2,607)
244	On-Site Health & Safety	1,615
245	Oracle America, Inc.	100,740
246	Pace Supply Corp	57,077
247	Palmer Group LLC	2,079
248	Partner Energy	236
249	Paule, Camazine & Blumenthal, P.C.	1,960
250	Peninsula Building Materials Co.	8,026
251	Petersendean Roofing and Solar Systems	68,406
252	PG&E	21,568
253	Praxair Distribution, Inc.	1,823
254	Presidio Systems, Inc.	3,750
255	PrintPapa	829
256	Procore Technologies, Inc.	(30,260)
257	Professional Ins. Assoc., Inc.	157,617
258	Project Approval Services	8,500
259	PropertyBlastHomes	16,504
260	Quality Produce	3,180
261	Quick SWPPP Corporation	4,560
262	R & B Company	2,257
263	R2R Media Sloutions LLP	1,135
264	Rand Worldwide Subsidiary, Inc	66,230
265	Reaco heating & Air Conditioning, Inc.	-
266	Ready Hoist, Inc	10,990
267	Rebuild Green	355,183
268	Red Cloud, Inc.	49,221
269	RegasGroup	350
372	Regus Management Group, LLC	13,317
270	Republic Services	25,760
271	Revelare Group LLC	118,000
272	Richard Haro Construction	5,000
273	Robert D. Peterson Law Corporation	7,955
274	Robert Half Finance & Accounting	7,000
275	Rockridge Geotechnical, Inc.	67,395
276	Rodriguez Concrete Construction	22,700
277	Rosa's Cleaning Services	143
278	Royal wholesale Electric	755
279	S.J. General Building Maintenance, Inc.	19,378

<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
280	Safe2core	3,431
281	Sage Software, Inc.	7,986
282	Salis Law	23,313
283	San Jose Jazz	20,000
284	San Jose water Company	14,520
285	Sanchez Concrete Pumping	8,130
286	Sandman Inc., dba Star Concrete	3,836
287	Santa Clara Police Activities League	2,500
288	SCC DTAC	118,079
289	Secretary Of State	26
290	Sesha Sai Patro	625
291	Signal 88, LLC.	1,600
292	Signcraft	10,805
293	Simba Solutions Inc	5,025
294	Simple Air	5,980
295	SJP Signs Inc	7,500
296	Skidmore, Owings & Merrill LLP	209,517
297	Slakey Brothers Inc.	51,400
298	Slama Door Co.	27,927
299	Smiota Inc.	13,912
300	Sound-Crete Contractors Inc.	103,110
301	SPUR	15,000
302	St. Anton Communities, LLC	5,000
303	ST. Francis Electric	62,741
304	Starstone National Insurance Company	648,207
305	Steeler Inc.	10,699
306	Stevens Creek Quarry, Inc.	-
307	Stratus information systems	181
308	Strouss Brothers Construction Inc.	66,720
309	Stucco Supply Company	58,078
310	Sudhir Pai CPA PLLC	16,354
311	Summit Hosting, LLC	658
312	Sunnyvale Chamber Of Commerce	1,750
313	Superior Kitchen Cabinets Inc.	17,238
314	SwagWorx	2,502
315	Tarrar Utility Consultants, Inc.	20,485
316	Terra Pacific Waste Management	11,809
317	The Backflow Guy Inc.	4,140
318	The Concord Group	38,025
319	The Fire Consultants, Inc.	3,600
320	The home depot	-
321	The Honey Ladies	1,400
322	The Lighting Source LLC	544
323	The Moulding Company	6,357
324	The Scaffold Works, Inc.	159,141
325	The Silicon Valley Organization PAC	999
326	Thomas Baak & Associates	5,325

<b>No.</b>	<b>Creditor</b>	<b>Invoice Balance per SSB</b>
327	Thorpe Design, Inc	25,540
328	Three Alarm Electrical Systems Inc.	1,925
329	Three Alarm Fire Protection, Inc.	1,020
330	Thyssenkrupp Elevator Corporation	42,829
331	TJKM	26,955
332	Todd Rothbard	5,549
333	Top Line Showers Doors And Mirrors Inc	15,513
334	Trans Bay Elevator Corp	100
335	Trencore plastering, Inc.	322,684
336	Tri City Rock, Inc.	19,268
337	Triax Technologies, Inc.	13,749
338	Tri-County Insulation	116,594
339	U S Legal Support, Inc.	2,397
340	U.S. Healthworks Medical Group, Pc	447
341	UMO. Steel Inc.	3,837
342	Underwood & Rosenblum, Inc	5,585
343	Union Sanitary District	5,434
344	United Healthcare Insurance	33,224
345	United Rentals, Inc.	34,095
346	United Site Services of California, Inc.	5,882
347	US Alarm/Additional Technology Security, Inc.	3,209
348	US Natural Stone	176,549
349	Utilities Management Concepts Inc.	968
350	Van De Poel, Levy, Arneal & Serot, LLP	17,928
351	Venture Underwriters	64,267
352	Vintage Design Incorporated	50,041
353	Vistacom DBS Inc.	33,360
354	VJ Concrete	1,950
355	Wayfair, LLC.	80,190
356	Wayne Salvatore	8,100
357	Wells Fargo Vendor Financial Services, LLC	6,973
358	Western Abatement, Inc.	131,198
359	Western Site Services LLC	14,658
360	What's Happening Inc	500
361	Whirlpool Corporation	68,009
362	William Brewer	1,600
363	Williams Scotsman, Inc.	1,247
364	Wind River Services Inc.	452
365	Window Fashions of Northern California, Inc.	9,871
366	Wood Haven, Inc.	63,735
367	Woodmont Real Estate Services, L.P.	6,444
368	Yardi Systems, Inc.	2,800
369	Zi Zi	1,800
370	Zillow Group, Inc	5,933
371	Zoom Video Communications Inc.	905
<b>Grand Total</b>		<b>\$ 10,572,023</b>

**EXHIBIT "C"**

**EXHIBIT "C"**

<b><u>Project Name</u></b>	<b><u>Ownership Entity</u></b>
Sunset at Alum Rock	2101 Alum Rock LLC
Almaden	1821 Almaden LLC
Balbach	180 Balbach LLC
Franklin (Downtown Gateway)	1313 Franklin LLC
Hayward	B Street Hayward LLC
Little Portugal	Little Portugal Gateway LLC
Mathilda 2	528 Mathilda LLC
Monroe (Madison Place)	1460 Monroe LLC
Osgood	Osgood LLC
Osgood 2	Sage at Irvington LLC
Peralta (Centerville Station)	Peralta at Fremont LLC
Walnut Morgan Hill	Walnut Morgan Hill LLC
SiliconSage Home Office	SiliconSage Builders LLC

SMILEY WANG-EKVALL, LLP  
3200 Park Center Drive, Suite 250  
Costa Mesa, California 92626  
Tel 714 445-1000 • Fax 714 445-1002

**PROOF OF SERVICE**

**STATE OF CALIFORNIA, DISTRICT COURT, NORTHERN DISTRICT**

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 3200 Park Center Drive, Suite 250, Costa Mesa, CA 92626.

On **4/30/2021**, I served true copies of the following document(s) described as **FIRST QUARTERLY REPORT AND RECOVERY PLAN** on the interested parties in this action as follows:

**SEE ATTACHED SERVICE LIST**

**(X) (BY COURT VIA NOTICE OF ELECTRONIC FILING ("NEF"))** – Pursuant to United States District Court, Central District of California, Local Civil Rule 5-3, the foregoing document will be served by the court via NEF and hyperlinked to the document. On **4/30/2021**, I checked the CM/ECF docket for this case and determined that the aforementioned person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated.

**(X) (BY U.S. MAIL).** I enclosed the document(s) in a sealed envelope or package and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with the practice of Smiley Wang-Ekvall, LLP for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with USPS in a sealed envelope with postage fully prepaid. I am a resident or employed in the county where the mailing occurred. The envelope was placed in the mail at Costa Mesa, California.

**( ) (BY E-MAIL).** By scanning the document(s) and then e-mailing the resultant pdf to the e-mail address indicated above per agreement. Attached to this declaration is a copy of the e-mail transmission.

**( ) (BY FACSIMILE).** I caused the above-referenced documents to be transmitted to the noted addressee(s) at the fax number as stated. Attached to this declaration is a "TX Confirmation Report" confirming the status of transmission. Executed on \_\_\_\_\_, at Costa Mesa, California.

**( ) STATE** I declare under the penalty of perjury under the laws of the State of California that the above is true and correct.

**(X) FEDERAL** I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on April 30, 2021, at Costa Mesa, California.

/s/ Lynnette Garrett  
Lynnette Garrett

SMILEY WANG-EKVALL, LLP  
3200 Park Center Drive, Suite 250  
Costa Mesa, California 92626  
Tel 714 445-1000 • Fax 714 445-1002

**SERVICE LIST**

**BY COURT VIA NOTICE OF ELECTRONIC FILING ("NEF"):**

- Kyra Elizabeth Andrassy  
kandrassy@swelawfirm.com,jchung@swelawfirm.com,lgarrett@swelawfirm.com,gacruz@swelawfirm.com
- Tamar M. Braz  
brazt@sec.gov
- Susan Scott Davis  
sdavis@coxcastle.com
- Robert Paul Goe  
rgoe@goeforlaw.com,kmurphy@goeforlaw.com
- Mitchell Bruce Greenberg  
mgreenberg@abbeylaw.com,mmeroney@abbeylaw.com
- John Henry Hemann  
jhemann@cooley.com,mnarvaez@cooley.com
- Douglas Dalton Hughmanick  
dhughmanick@terra-law.com
- Monique Jewett-Brewster  
mjb@hopkinscarley.com,eamaro@hopkinscarley.com
- Wm. Thomas Lewis  
wtl@roblewlaw.com,kimwrenn@msn.com
- Amy Jane Longo  
longoa@sec.gov,simundacc@sec.gov,irwinma@sec.gov
- James Alan McDaniel  
jmcDaniel@terralaw.com,dhawes@terralaw.com
- Walker Samuel Newell  
wnewell@cooley.com,efiling-notice@ecf.pacerpro.com,avera@cooley.com
- Randy Phillip Orlik  
rorlik@coxcastle.com
- Parkview Financial REIT LP  
paul@parkviewfinancial.com
- Meena Sathappan, TTE  
mjb@hopkinscarley.com
- Joshua Louis Scheer  
jscheer@scheerlawgroup.com,jscheer@ecf.courtdrive.com
- Michael Raymond Sew Hoy  
sewhoym@sec.gov
- Western Alliance Bank  
wtl@roblewlaw.com

**BY U.S. MAIL:**

Senior District Judge Susan Illston  
United States District Court  
Office of the Clerk  
450 Golden Gate Ave, 16th Floor  
San Francisco, CA 94102